THIS SENTENCE HAS

WORDS

Eigen Values, Creating Truisms and the Future of Marketing

Stephen Denny

"This sentence has five words."

This is obvious, isn't it? It's not something we need to debate. Saying, "This sentence has five words," is self defining. It's a truism—something correct and unarguable.

"This sentence has eight syllables." It does, in case you're tempted counting on your fingers. Again, saying it defines it.

Now, if I were to say, "This sentence has lots and lots of words and too many syllables to count," I might be right and I might be wrong. It depends on what you happen to think "a lot" is. It's subjective, subject to debate and very arguable.

Our first sentence—"This sentence has five words"—is an eigen value: a self-referencing, self-defining concept. The thing itself is its own definition. Our last rambling sentence is not an eigen value. It isn't self-defining and frankly lacks meaning to anyone but its author. This is an important distinction, because the casual reader of this sentence frankly doesn't care one way or another about the message or the messenger.

The concept of eigen values comes from the vast body of work attributed to the father of cybernetics, Heinz von Foerster. His work, and the work of others in this field, has influenced the disciplines of philosophy, psychology, architecture, mathematics, cryptography and art. **Why is this concept important to your idea, your brand or your movement?** Because creating eigen values is what marketers do when they're doing their very best work. The concept of eigen values should change how you look at the marketing discipline completely.



I was introduced to the idea of eigen values and the writings of Heinz von Foerster by my business partner and friend, Dr. Steven Feinberg, who as it happens was one of Dr. von Foerster's students many years ago. This idea proved sticky. While writing Killing Giants: 10 Strategies to Topple the Goliath In Your Industry, I began to see evidence of eigen values popping up in many of the Giant Killers I had profiled—companies that had practices, programs or philosophies that were self-defining and utterly unique when compared to their giant competitors. I wondered about the causality of what I was discovering: did the eigen value-like identity of their customer-facing elements make them successful or did their success relative to their competitors manifest itself in consistently unique outputs? My answer would be "yes."

Viewing the Marketing Discipline Through the Lens of Eigen Values

My "discovery" of eigen values as they relate to marketing, as well as my grinding through more than 70 interviews in 13 countries while writing Killing Giants, had a considerable impact on the evolution of my consulting. I've come to the conclusion that, regardless of the absolute causality between eigen values and business success, creating them on purpose is smart business beyond any ethereal marketing-speak. It's a simple matter of psychology and economics. We have limitations on both our personal attention spans on one hand and our professional resources on the other. We can't afford to carefully judge each of the thousands of marketing messages that bombard us on an hourly basis, nor can we afford to casually waste scarce marketing budget dollars put in our care on a scattershot approach to getting our message across.

In other words, we don't have time for "in one ear and out the other." We need every bullet to count. Nor can we rely on chance to work in our favor. Our customers are bored, distracted and ambivalent about what we have to say.

We might hit the exact target at the perfect moment and still not get the sale because of factors outside our control. People are busy and we are not their biggest problems. We need to be sure that whenever we interact with a prospective customer that each and every touch point builds upon the others that we've put out in the marketplace. Relationships are built over time, brick by brick, interaction by interaction. If we come across to our customer base like five different brands, we need to work five times as hard to earn their trust. Why then would we make it so hard on ourselves? And with a considerable body of research supporting the idea that a single point of brand equity correlates to a point of valuation, we can quickly agree that anything we can do to increase the frequency of the right kinds of impressions is just good business.

Given this, eigen values can be the lens through which we judge everything our customers see, touch and experience to ensure we're maximizing our impact. It ensures that our brand is defined in every consumer touch point, from how our customer service representatives answer the phone to our outof-box experience to our website to our business cards. This goes far beyond mere consistency.

Eigen Value: Pricing at JetBlue

"We love doing things that customers would say, 'I can't imagine anyone doing this except for Jet Blue," JetBlue senior vice president of marketing Marty St. George told me in Killing Giants. Understand that once a plane takes off, that empty seat is worthless. The cheapest marketing tool JetBlue has is an empty seat. And sampling an airline that vows to "bring humanity back to air travel" is something the company is proud to do.

JetBlue's answer to empty seats and sampling their greater humanity is to capture the imaginations of air travelers with fares that are as unique as the brand itself. Like \$31 one-way fares on Halloween. Or the company's "All You Can Jet" pass for \$599. "We really want to be innovative. We want people to see us coming out of left field."

JetBlue's innovative pricing strategy is an Eigen Value. **

Shifting Perspective: It's About Them, Not Us.

Taking a moment to review this external view of our customer interactions is an important pause for us to take. We're often swept up in the immediacy of our own to-do lists and our egocentric view of what constitutes "good work," and understandably so. So let's consciously push this world view to the side and remember what it is we're doing here.

The concept of eigen values should change how you look at the marketing discipline completely.

Marketing is the sum total of everything that your company is and does—according to your customer. That's the best definition of marketing I've come across and it's the one I try to impress upon others. It means that it isn't about all the things we assume are our jobs. It's about what our customers experience. Big difference here. When you define "marketing" as a group of separately defined tasks— press releases, web design, channel marketing programs, packaging—there are going to be gaps between what you think you're responsible for and what our customers organically experience. These in-between spaces are where customers experience our brand at its worst. If we think marketing is about advertising and PR, we'll focus our attention on these two things. If customers spend the vast majority of their lifetime interaction with our brand on hold calling customer service or dealing with our impossible to open clamshell packages, they'll only remember those things. We'll think we're doing a great job. They'll know we're lousy.



Remember, people are busy. They don't care about your stuff. More often than not, your entire brand is only visible to the average consumer on those rare occasions that they need you and is only remarkable to them if and when it fails.

Eigen Value: Packaging at Looxcie When your product is a re-imagination of what personal video can be, how do you connect the emotional dots and tap the right associations so that you're not pigeon-holed as a "really big Bluetooth headset with a camera in it"? You package the device in something more than just "packaging."

Our client's bright red, heavy turned-edge box is a permanent home for this precision optical device, as well as visually arresting reminder to grab it before you head out the door. It's meant to be placed in a visible spot – a reminder that unexpected moments happen all the time. The gray foam isn't an accident. Tech enthusiasts in their 40's were influenced by their parents – and in the 60's, this meant reel-to-reel tape decks and Nikon 35mm cameras. Remember your father's Nikon camera when you were a kid? Nestled in the hard case in all that gray foam? The association matters: quality, security, value. And the secret compartment in the side holds the power supply and other bits and pieces: discovery, surprise, delight. A designed experience.

Looxcie's box is an eigen value. #

Marketing is the sum total of everything that your company is and does—according to your customer.

Self-definition, Creating Separation and Deciding Who You're Not

So where does one start in purposefully creating an eigen value in our marketing outputs? Creating a brand strategy and messaging architecture—from the positioning statement and the words and metaphors that describe your brand to the communication pillars, the hierarchy of controlling ideas to brand image systems—isn't something I'll try to explain in depth here as it would overwhelm the purpose of the document. But let's agree that if we're to create an eigen value for our brand, knowing who we are and what makes us unique is a necessary first step. And an often avoided process in this brand development process is clearly articulating what you're willing to leave behind—defining, in other words, who you're not.

Remember, people are busy. They don't care about your stuff.

Deciding who you're not is often an exercise in defining who others are first so you can compare yourself to them. This doesn't have to be a mud-slinging session. It frankly benefits from giving our competitors and alternatives the benefit of the doubt. But deciding who you are and who they are is often the first and easiest task to ultimately understand the meaningful gaps between you and them.

Deep metaphors help shine a light on these in-between spaces. I've conducted workshops with clients who have come to the realization that they were a lifeboat but not a ladder, a security camera but not a helmet cam, an offensive line but not the quarterback, or that their brand is the embodiment of the Greek goddess Cassandra. These metaphors are powerful. They give us the context

around which we can mold our choices when it comes to creating customer facing language. It helps fill in the "in-between" spaces. And rigorously creating space between you and your competitors and alternatives helps ensure that the positioning statement you end up with is utterly and completely unique to you and an unthinkable statement coming from anyone else.

Don't think this happens in a day's casual workshop. It happens alone, together, and in small groups at various times. It requires careful nurturing to bring out the best people have as well as the harsh criticism of the group when it's decision time. Feelings get hurt, but only temporarily.

You end up with great work this way.

You have to make hard choices. But by decisively choosing what is "in" and what is "out," our constraints help us define ourselves clearly.

Eigen Value: Product development at Vibram

How do you present yourself as a brand of preference—to both your OEM customers who use your products as components in theirs, as well as your end users to whom you sell finished goods—when you sell shoe soles? You produce a shoe sole so revolutionary, so dramatic, that you create your own category. Only Vibram could have launched the Five Fingers athletic shoe. It wouldn't have made sense for anyone else to claim this ground and it would have been counterproductive for a major shoe brand to claim it.

You can't launch a barefoot shoe for running when you've spent decades preaching the benefits of built-up padded running shoes to your public. But you can when you're known the world over for soles. The Vibram Five Fingers shoe is a shoe sole held on to your foot by the most minimalist of outer enclosures. A sole you wear on your foot. Vibram provided a vivid example of how a brand can "Eat the Bug"—do the unthink-able—and carve out a sustainable niche for itself in the process. A great Giant Killer story.

Vibram's Five Fingers athletic shoe is an eigen value of product development. **



Creating Eigen Cultures

Creating a diamond-hard branding strategy is the necessary first step. But creating an eigen value brand means every output of your brand must be more than just "aligned"—it must be, as we've described above, self-defining.

This goes beyond logos and tag lines, as you can imagine. Every customer touch point, every

"moment of power," where customers experience significant turning points in their relationship with your brand is now cast as synonymous to—and as identical to—your branding DNA.

Ask yourself these three questions as you look at anything your company does or produces that ends up in front of a real paying customer:

- » Does this define our brand-specifically and uniquely?
- » Could this have only come from us?
- » Would our customer intuitively know that this was our work, even if we took our name off it?

Now, bring the rest of the organization into the discussion. When we solicit their thinking on applying our now diamond-hard core of branding DNA, we see how an Eigen Value becomes an Eigen Culture.

How can customer service and technical support become extensions of the brand? How can each touch point with a customer reinforce those unique branding elements? How can these inbound moments become self-defining?

How can your hiring process become a self-defining act, so that any candidate, reference or recruiter leaves with the clear imprint of your brand—regardless of whether you hired them or not?

Do your accounts payable and receivable departments deliver your brand experience beyond their functional areas of expertise to their stakeholders? How can you deliver a self-defining experience through a group typically not known as "brand evangelists?"

How does your sales organization, your investor relations team, and yes, even your CEO and the members of the C-suite, deliver a self-defining experience?

Eigen Value: Hiring and Culture at Method

How does a San Francisco start-up competing against some of the world's largest conglomerates in the detergent world keep its culture intact? Method likes to hire people who come recommended by current employees. This goes further than just trying to save money on recruiters. It's a cultural tether. Interviews at Method are done in groups. The interviewee—sponsored by a current team member—presents three ideas to a cross functional group: one strategic, one functional and one on "how to keep Method weird."

What does this mean? It means that the company gets new blood running through its system that is more likely to be culturally compatible. Not only does the current employee think twice about referring a loose connection, but the group dynamic helps everyone understand what the company values.

- The ability to get along with others.
- Functional and generalist chops.
- An off-beat personality.
- The desire to stay weird.

Method's hiring process is an Eigen Value. **

Our references become self-defining. We start looking and acting like who we are.

- When you say your brand is all about being "hands-free," that means you should be able to interact with your brand without looking. You are tactile and voice activated.
- When your brand is all about being visual, that signs you up for color and field of vision,
 130 degrees from side to side. If you deliver a visual experience or enhance a customer's life through a visual medium, you can't present yourself as being narrowly focused.
- When you preach an immersive experience, you present yourself as an immersive experience edge to edge, not with a thumbnail.
- When your focus is on letting your client's superstars perform, you don't hog the spotlight.
 You showcase your professionalism with efficient and crisp delivery, but leave the glory to them.
- When you're about helping people who are scared, you don't compound the fear. You show them the right end results with the right metaphors to help them emotionally grasp your value: sunlight, morning, calmness and relief.

Why does this level of detail matter? Isn't it enough to be great at what you do?

No.

Great brands create great experiences and the experience is cumulative. It builds over time. Not everything can be devolved into a bag of chips on a clip strip. Relationships with brands take time to build.

Each touch point, each "moment of power" builds upon the last. People will ignore you if they can and forget you as quickly as possible because other stuff is coming in, fast and furious. Consistency is important because we're psychologically wired to expect it and we're dissatisfied when we don't get it. So our job is to create an experience that goes beyond consistency. We create experiences that are self-defining.

First Steps

Define your brand, decide who you are and who you're not, create meaningful separation and then ask yourself at each moment of power, "Is this as unique to us as our fingerprint? Could this only come from us?"

A simple sentence that belies the complexity and time necessary to grind your strategic problems down into gem-like insights, but one that hopefully leads you to take that first step.

It can seem daunting, so let's pause for a moment. Let's not take that first step thinking we're embarking on the first of an endless series of task force meetings and re-work, because if we did, we'd never start. Instead, let's consider the idea of creating Eigen Values in our respective companies as a lens through which you can refine and re-launch the important customer-facing elements that make up everything they think about you. Regardless of the first step you choose to take—and there are an infinite number available to you—keep the mantra close at hand.

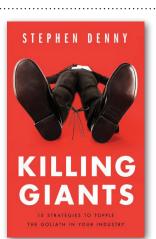
This sentence has five words.

This sentence has eight syllables.

An orange is orange.

Creating eigen values is what we do when we're doing our best work.

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BUY THE BOOK Get more details or buy a copy of Stephen Denny's *Killing Giants.*

ABOUT THE AUTHOR

Stephen Denny is a competitive strategy + marketing consultant, working with brands in technology, consumer products, clean energy and services. He is the author of *Killing Giants: 10 Strategies to Topple the Goliath In Your Industry* (Portfolio US & Penguin UK). Apart from writing and consulting, Denny is a frequent speaker at corporate events, industry conferences and graduate business schools on topics relating to competitive strategy, marketing and generally how one kills giants. He holds multiple patents, has lived and worked in both the US and Japan, and has an MBA from the Wharton School, the diploma for which is somewhere in his office. He lives just south of San Francisco, which is pretty close to paradise if you ask him.

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BORN ON DATE

This document was created on April 6, 2011 and is based on the best information available at that time.

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